

**Alaska Department of Revenue
Tax Division**

Large Passenger Vessel Gambling Tax Regulations

15 AAC 165.110. Tax returns, payment, and administration

(a) An operator shall file an annual tax return on a calendar year basis. The tax return, and the total tax imposed by AS 43.35.210 , are due on April 15 of the following calendar year.

(b) The operator shall file the tax return on a form prescribed by the department. The operator or an authorized agent of the operator shall sign the tax return under penalty of unsworn falsification.

History: Eff. 4/11/2008, Register 186

Authority: AS 43.05.080
AS 43.35.210

Editor's note: As of Register 186 (July 2008), the regulations attorney made technical revisions under AS 44.62.125 (b)(6), to 15 AAC 165.110 and the authority citation for that section, to reflect the renumbering of statutory authorities, from AS 05.16.010 - 05.16.030 to AS 43.35.200 - 43.35.220, by the revisor of statutes on May 8, 2008.

15 AAC 165.120. Extension of time for filing return

(a) An operator may file for an automatic six-month extension of time for filing a tax return.

(b) An operator must file an application for an extension of time for filing a tax return with the department no later than the tax return due date. The operator must attach a copy of the extension application with the tax return.

(c) An extension of time for filing the tax return does not extend the time for payment of the total amount of tax due.

History: Eff. 4/11/2008, Register 186

Authority: AS 43.05.080
AS 43.35.210

Editor's note: As of Register 186 (July 2008), the regulations attorney made technical revisions under AS 44.62.125 (b)(6), to the authority citation for 15 AAC 165.120, to reflect the renumbering of statutory authorities, from AS 05.16.010 - 05.16.030 to AS 43.35.200 - 43.35.220, by the revisor of statutes on May 8, 2008.

15 AAC 165.130. Calculation of tax

An operator shall calculate the amount subject to tax imposed by [AS 43.35.210](#) by multiplying adjusted gross income from gaming or gambling earned during the entire voyage by the percentage of gaming or gambling hours conducted in waters under the state's jurisdiction. The operator shall calculate the percentage by dividing the total number of gaming or gambling hours while in waters under the state's jurisdiction by the total number of gaming or gambling hours during the entire voyage.

History: Eff. 4/11/2008, Register 186

Authority: [AS 43.05.080](#)
[AS 43.35.200](#)
[AS 43.35.210](#)

Editor's note: As of Register 186 (July 2008), the regulations attorney made technical revisions under [AS 44.62.125](#) (b)(6), to 15 AAC [165.130](#) and the authority citation for that section, to reflect the renumbering of statutory authorities, from [AS 05.16.010](#) - 05.16.030 to [AS 43.35.200](#) - 43.35.220, by the revisor of statutes on May 8, 2008.

15 AAC 165.140. Records retention and inspection

An operator shall preserve in hard copy or in electronic format, all books, records, and any other data used to prepare the tax return. The operator shall retain those materials for three years following the return due date or the date the operator files the return, whichever is later. For each large passenger vessel on which the operator conducted gaming or gambling in waters under the state's jurisdiction, the operator shall prepare and maintain information that includes

- (1) the name and call sign of the vessel providing each voyage;
- (2) a list of all voyages that the vessel completed during the year;
- (3) the names of the ports where each voyage originated and ended;
- (4) the beginning and ending date of each voyage;
- (5) the total gaming and gambling hours for each voyage;
- (6) the total gaming and gambling hours conducted in waters under the state's jurisdiction for each voyage;
- (7) the books and records used to calculate the amount of adjusted gross income from gaming or gambling earned on each voyage, including the books and records used to support the amount of adjusted gross income from gaming or gambling reflected in audited financial statements; and

(8) the amount of federal and municipal taxes paid or owed that were deducted in computing the adjusted gross income from gaming and gambling for each voyage.

History: Eff. 4/11/2008, Register 186

Authority: AS 43.05.080
AS 43.35.210

Editor's note: As of Register 186 (July 2008), the regulations attorney made technical revisions under AS 44.62.125 (b)(6), to the authority citation for 15 AAC 165.140, to reflect the renumbering of statutory authorities, from AS 05.16.010 - 05.16.030 to AS 43.35.200 - 43.35.220, by the revisor of statutes on May 8, 2008.

15 AAC 165.900. Definitions

(a) In AS 43.35.200 - 43.35.220 and this chapter, unless the context requires otherwise,

(1) "gaming or gambling" means a contest, game, or activity in which a person stakes or risks something of value upon

(A) the outcome of a contest of skill or chance or a future contingent event not under the person's control or influence; and

(B) an agreement or understanding that the person or another person will receive something of value in the event of a certain outcome;

(2) "gross income" means the difference between gaming wins and losses before deducting costs and expenses as computed under United States generally accepted accounting principles;

(3) "large passenger vessel" means a vessel that provides sleeping accommodations for all of its passengers and that makes at least one voyage of the type described in 15 U.S.C. 1175 (Johnson Act) during the year;

(4) "operator" means a person that conducts gaming or gambling on a large passenger vessel during a voyage described in 15 U.S.C. 1175 (Johnson Act) in waters under the state's jurisdiction;

(5) "passenger" has the meaning given in AS 43.52.295 (3);

(6) "prizes awarded" means cash or other consideration given to a participant in gaming or gambling; "prizes awarded" does not include

(A) amounts already accounted for in the calculation of gross income; or

(B) complimentaries, promotional allowances, or other goods or services that would be accounted for as revenue if sold;

(7) "waters under the state's jurisdiction" or "waters under the jurisdiction of the State of Alaska" means waters to which the state's jurisdiction extends under [AS 44.03.010](#) .

(b) In this chapter, "gaming or gambling hours" means the hours during which gaming or gambling is conducted or during which gaming or gambling devices, machines, or instruments are available for play.

History: Eff. 4/11/2008, Register 186